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News Release

national machine tool builders association
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MACHINE TOOL ORDERS DOWN DURING FIRST SIX MONTHS OF 1986

Machine tool orders fell 11.2% for the first six months of 1986 compared to the same period a year ago according to data compiled by the National Machine Tool Builders' Association. Mid-year orders totaled $1,216,350,000. This reflects a 10.6% year-to-date drop in orders for metal cutting equipment and a 12.9% drop for metal forming.

For the month of June, metal cutting orders rose 10.7% over the previous month to a total value of $156,800,000 but were down 14.2% compared to June a year ago. Metal forming orders fell 31.2% for the month to a total of $44,350,000 resulting in a combined cutting and forming drop in orders of 2.4%.

Total shipments of cutting and forming machinery rose by 34.2% for the month of June, to $308.05 million from the $229.55 million for the month of May. Shipments of metal cutting equipment rose to $241.70 million, a 40.2% increase while metal forming shipments rose to $66.35 million, up 16.2%. Year-to-date shipments were up 20.3% over 1985.

"The decline in orders for the first half of 1986 is very troubling to us but is not surprising given the tentative attitude of investors of capital equipment as they wait out the tax debate," said National

(MORE)

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Machine Tool Builders' Association President, James A. Gray. "If American industry is going to be competitive with other countries, we must have a tax policy that helps rather than hurts manufacturing. The real threat today is that investment in productive capital goods will fall victim both to unrealistic capital recovery provisions and to a punitive minimum tax."

Gray went on to observe, "It is good to see the increase in shipments, but this activity is normal at the end of a quarter. The bleak new order picture overshadows the positive news of the shipment figures."

The spurt of activity in shipments caused industry backlogs to fall to $1,529.45 million in June. Metal cutting backlogs were down to $1,188.25 million and metal forming backlogs fell to $341.20 million.

Note: Net metal forming orders were negative during June because abnormally large cancellations exceeded the total value of new orders, which were lower than average during June. (See the attached Gross New Orders and Cancellations data for Metal Forming Type Machine Tools.)

# # #

COMPARISON CHART

NET NEW ORDERS -- MACHINE TOOLS
(Millions of Dollars)

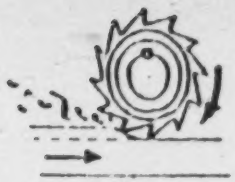
	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
JUN 1986	145.65	11.15	156.80	44.90	- .55	44.35	190.55	10.60	201.15
MAY 1986	118.50	23.20	141.70	58.50	6.00	64.50	177.00	29.20	206.20
% CHANGE									
JUN 1986:MAY 1986	+22.9	-51.9	+10.7	-23.2	NA	-31.2	+7.7	-63.7	-2.4
JUN 1985	159.95	22.90	182.85	48.55	3.80	52.35	208.50	26.70	235.20
% CHANGE									
JUN 1986:JUN 1985	-8.9	-51.3	-14.2	-7.5	-114.5	-15.3	-8.6	-60.3	-14.5
YEAR TO DATE 1986	813.90	84.25	898.15	292.90	25.30	318.20	1,106.80	109.55	1,216.35
YEAR TO DATE 1985	905.65	98.55	1,004.20	340.05	25.40	365.45	1,245.70	123.95	1,369.65
% CHANGE									
1986 : 1985	-10.1	-14.5	-10.6	-13.9	-0.4	-12.9	-11.2	-11.6	-11.2

SHIPMENTS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
JUN 1986	223.60	18.10	241.70	61.55	4.80	66.35	285.15	22.90	308.05
MAY 1986	153.10	19.35	172.45	54.00	3.10	57.10	207.10	22.45	229.55
% CHANGE									
JUN 1986:MAY 1986	+46.0	-6.5	+40.2	+14.0	+54.8	+16.2	+37.7	+2.0	+34.2
JUN 1985	149.40	13.60	163.00	73.35	2.65	76.00	222.75	16.25	239.00
% CHANGE									
JUN 1986:JUN 1985	+49.7	+33.1	+48.3	-16.1	+81.1	-12.7	+28.0	+40.9	+28.9
YEAR TO DATE 1986	848.50	104.70	953.20	364.35	26.90	391.25	1,212.85	131.60	1,344.45
YEAR TO DATE 1985	677.45	64.60	742.05	353.65	22.05	375.70	1,031.10	86.65	1,117.75
% CHANGE									
1986 : 1985	+25.2	+62.1	+28.5	+3.0	+22.0	+4.1	+17.6	+51.9	+20.3

Source: National Machine Tool Builders' Association

NA - Not Applicable

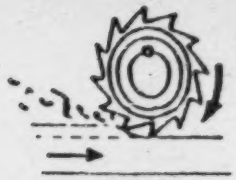


TOTAL INDUSTRY ESTIMATE
MACHINE TOOLS - CUTTING AND FORMING
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 2,262.15	$ 265.95	$ 2,528.10	1,657.55	$ 2,291.45	$ 253.75	$ 2,545.20
1986							
JAN	$ 174.95	$ 15.80	$ 190.75	1,702.45	$ 124.85	$ 21.00	$ 145.85
FEB	$ 198.25	$ 12.15	$ 210.40	1,710.20	$ 185.65	$ 17.00	$ 202.65
MAR	$ 196.80	$ 17.80	$ 214.60	1,676.00	$ 219.30	$ 29.50	$ 248.80
APR	$ 169.25	$ 24.00	$ 193.25	1,659.70	$ 190.80	$ 18.75	$ 209.55
MAY	$ 177.00	$ 29.20	$ 206.20	1,636.35	$ 207.10	$ 22.45	$ 229.55
JUN (P)	$ 190.55	$ 10.60	$ 201.15	1,529.45	$ 285.15	$ 22.90	$ 308.05
6 MONTHS	$ 1,106.80	$ 109.55	$ 1,216.35		$ 1,212.85	$ 131.60	$ 1,344.45

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 2,433.30	$ 282.65	$ 2,715.95	$ 171.15	$ 16.70	$ 187.85
1986						
JAN	$ 180.65	$ 17.20	$ 197.85	$ 5.70	$ 1.40	$ 7.10
FEB	$ 214.85	$ 14.65	$ 229.50	$ 16.60	$ 2.50	$ 19.10
MAR	$ 203.35	$ 18.40	$ 221.75	$ 6.55	$ .60	$ 7.15
APR	$ 181.10	$ 24.45	$ 205.55	$ 11.85	$ .45	$ 12.30
MAY	$ 183.50	$ 29.50	$ 213.00	$ 6.50	$ .30	$ 6.80
JUN (P)	$ 215.85	$ 15.20	$ 231.05	$ 25.30	$ 4.60	$ 29.90
6 MONTHS	$ 1,179.30	$ 119.40	$ 1,298.70	$ 72.50	$ 9.85	$ 82.35

P - Preliminary
NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL CUTTING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 1,652.15	$ 200.95	$ 1,853.10	1,243.30	$ 1,548.50	$ 193.75	$ 1,742.25
1986							
JAN	$ 124.75	$ 10.25	$ 135.00	1,286.80	$ 74.05	$ 17.45	$ 91.50
FEB	$ 160.65	$ 7.95	$ 168.60	1,331.50	$ 109.50	$ 14.40	$ 123.90
MAR	$ 146.05	$ 13.85	$ 159.90	1,319.85	$ 148.20	$ 23.35	$ 171.55
APR	$ 118.30	$ 17.85	$ 136.15	1,303.90	$ 140.05	$ 12.05	$ 152.10
MAY	$ 118.50	$ 23.20	$ 141.70	1,273.15	$ 153.10	$ 19.35	$ 172.45
JUN (P)	$ 145.65	$ 11.15	$ 156.80	1,188.25	$ 223.60	$ 18.10	$ 241.70
6 MONTHS	$ 813.90	$ 84.25	$ 898.15		$ 848.50	$ 104.70	$ 953.20

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 1,769.20	$ 213.45	$ 1,982.65	$ 117.05	$ 12.50	$ 129.55
1986						
JAN	$ 129.30	$ 11.45	$ 140.75	$ 4.55	$ 1.20	$ 5.75
FEB	$ 165.70	$ 9.95	$ 175.65	$ 5.05	$ 2.00	$ 7.05
MAR	$ 150.55	$ 14.30	$ 164.85	$ 4.50	$ .45	$ 4.95
APR	$ 127.40	$ 18.25	$ 145.65	$ 9.10	$ .40	$ 9.50
MAY	$ 122.75	$ 23.45	$ 146.20	$ 4.25	$ .25	$ 4.50
JUN (P)	$ 159.50	$ 11.95	$ 171.45	$ 13.85	$ .80	$ 14.65
6 MONTHS	$ 855.20	$ 89.35	$ 944.55	$ 41.30	$ 5.10	$ 46.40

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.

INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 610.00	$ 65.00	$ 675.00	414.25	$ 742.95	$ 60.00	$ 802.95
1986							
JAN	$ 50.20	$ 5.55	$ 55.75	415.65	$ 50.80	$ 3.55	$ 54.35
FEB	$ 37.60	$ 4.20	$ 41.80	378.70	$ 76.15	$ 2.60	$ 78.75
MAR	$ 50.75	$ 3.95	$ 54.70	356.15	$ 71.10	$ 6.15	$ 77.25
APR	$ 50.95	$ 6.15	$ 57.10	355.80	$ 50.75	$ 6.70	$ 57.45
MAY	$ 58.50	$ 6.00	$ 64.50	363.20	$ 54.00	$ 3.10	$ 57.10
JUN (P)	$ 44.90	$ - .55	$ 44.35	341.20	$ 61.55	$ 4.80	$ 66.35
6 MONTHS	$ 292.90	$ 25.30	$ 318.20		$ 364.35	$ 26.90	$ 391.25

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 664.10	$ 69.20	$ 733.30	$ 54.10	$ 4.20	$ 58.30
1986						
JAN	$ 51.35	$ 5.75	$ 57.10	$ 1.15	$ .20	$ 1.35
FEB	$ 49.15	$ 4.70	$ 53.85	$ 11.55	$ .50	$ 12.05
MAR	$ 52.80	$ 4.10	$ 56.90	$ 2.05	$ .15	$ 2.20
APR	$ 53.70	$ 6.20	$ 59.90	$ 2.75	$ .05	$ 2.80
MAY	$ 60.75	$ 6.05	$ 66.80	$ 2.25	$ .05	$ 2.30
JUN (P)	$ 56.35	$ 3.25	$ 59.60	$ 11.45	$ 3.80	$ 15.25
6 MONTHS	$ 324.10	$ 30.05	$ 354.15	$ 31.20	$ 4.75	$ 35.95

P - Preliminary

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QUARTERLY AND YEARLY SHIPMENTS AND NET NEW ORDERS OF MACHINE TOOLS
(Dollar Figures in Thousands)
1981 to Date

	Cutting and Forming			Cutting			Forming		
	SHIPMENTS		NET	SHIPMENTS		NET	SHIPMENTS		NET
DATE	Total	Foreign	NEW ORDERS	Total	Foreign	NEW ORDERS	Total	Foreign	NEW ORDERS
1981-1	$1,288,200	$210,800	$ 920,350	$1,017,850	$155,600	$ 706,600	$ 270,350	$ 55,200	$ 213,750
2	1,367,500	236,350	867,000	1,103,400	185,450	661,200	264,100	50,900	205,800
3	1,133,950	127,950	593,450	920,300	99,950	455,250	213,650	28,000	138,200
4	1,305,950	143,850	564,050	1,062,950	111,050	405,050	243,000	32,800	159,000
Total	$5,095,600	$718,950	$2,944,850	$4,104,500	$552,050	$2,228,100	$ 991,100	$ 166,900	$ 716,750
1982-1	$1,154,200	$112,650	$ 506,800	$ 933,050	$ 71,750	$ 384,850	$ 221,150	$ 40,900	$ 121,950
2	1,008,450	96,600	382,650	810,650	75,350	274,750	197,800	21,250	107,900
3	783,400	107,200	279,950	640,450	89,750	183,450	142,950	17,450	96,500
4	658,350	89,600	328,350	510,600	59,300	221,400	147,750	30,300	106,950
Total	$3,604,400	$406,050	$1,497,750	$2,894,750	$296,150	$1,064,450	$ 709,650	$ 109,900	$ 433,300
1983-1	$ 487,450	$ 56,650	$ 314,850	$ 370,600	$ 40,800	$ 224,100	$ 116,850	$ 15,850	$ 90,750
2	469,650	58,300	399,100	357,500	49,300	269,300	112,150	9,000	129,800
3	357,050	42,900	468,150	252,350	32,200	322,200	104,700	10,700	145,950
4	530,900	57,150	514,050	391,050	49,600	336,050	139,850	7,550	178,000
Total	$1,845,050	$215,000	$1,696,150	$1,371,500	$171,900	$1,151,650	$ 473,550	$ 43,100	$ 544,500
1984-1	$ 449,500	$ 40,550	$ 600,450	$ 298,100	$ 25,100	$ 412,750	$ 151,400	$ 15,450	$ 187,700
2	572,300	50,700	764,400	401,800	28,250	499,200	170,500	22,450	265,200
3	568,850	41,850	800,200	401,550	24,300	493,000	167,300	17,550	307,200
4	695,200	60,150	750,750	505,050	45,000	510,850	190,150	15,150	239,900
Total	$2,285,850	$193,250	$2,915,800	$1,606,500	$122,650	$1,915,800	$ 679,350	$ 70,600	$1,000,000
1985-1	$ 531,700	$ 48,950	$ 728,250	$ 357,050	$ 37,150	$ 528,500	$ 174,650	$ 11,800	$ 199,750
2	586,050	37,700	641,400	385,000	27,450	475,700	201,050	10,250	165,700
3	654,650	58,250	558,450	443,050	35,950	404,750	211,600	22,300	153,700
4	772,800	108,850	600,000	557,150	93,200	444,150	215,650	15,650	155,850
Total	$2,545,200	$253,750	$2,528,100	$1,742,250	$193,750	$1,853,100	$ 802,950	$ 60,000	$ 675,000
1986-1	$ 597,300	$ 67,500	$ 615,750	$ 386,950	$ 55,200	$ 463,500	$ 210,350	$ 12,300	$ 152,250
2P	747,150	64,100	600,600	566,250	49,500	434,650	180,900	14,600	165,950
Total	$1,344,450	$131,600	$1,216,350	$ 953,200	$104,700	$ 898,150	$ 391,250	$ 26,900	$ 318,200

P - Preliminary

NOTE: These data series are available back to 1956. To obtain a copy of the tables for 1956 through 1986, contact:
NMTBA Statistical Department, 7901 Westpark Drive, McLean, Virginia 22102-4269. Phone: 703:893-2900

Source: National Machine Tool Builders' Association

July 28, 1986